

TALKING CENTS WITH

OLLIE

**PRIMARY SCHOOL
TEACHER PACK**

1ST TO 6TH CLASS RESOURCE

YOUTH FINANCIAL WELLBEING

- ▶ STORIES AND CHALLENGES
- ▶ DISCUSSION GUIDES
- ▶ BUDGETING SHEETS
- ▶ CERTIFICATE OF ACHIEVEMENT AWARD



Bank of Ireland 
Begin

LESSON 1

THE EVOLUTION OF MONEY

LESSON SUMMARY

Money is a tool. In fact, it is probably the most universal tool in the world today. It was invented a long time ago.

In this lesson, we will explore the evolution of money over time, how it began and how it changed over the years.

We will also look at different forms of money through time and money across different countries.

How to use this lesson

- ▶ Read the material presented
- ▶ Use the prompts to discuss the material with your class
- ▶ Encourage children to work in groups
- ▶ Allow time for reflection and discussion
- ▶ Use the appropriate class activity at the end of the lesson to support learning

DISCUSSION TIME

A LITTLE BIT OF MONEY HISTORY

Today, money is used for all forms of buying and selling. But did you know that money was actually invented over 2,500 years ago? Until money was invented, things could be a little messy. Back then, people used a system called **barter** to buy and sell food, cattle and many other items of value. Bartering is swapping one item for another item of equal value. For example, a farmer might swap a pint of milk for a bag of apples. But with all this milk and apples moving about the place, things got complicated. So, some bright spark invented 'money' as a way of exchanging milk, apples and lots of other valuable stuff without all the milky, apple-y mess!

The original concept of money was very different to the type of money we are familiar with today. The first known currency was created by King Alyattes in Lydia, now part of Turkey, in 600BC where the first coins featured an image of a lion.

And so, the evolution of money continues. Today, we are starting to see a new type of money called digital or crypto-currency, like Bitcoin, Libra (from Facebook) and many more. Plus, technology today allows us to transport money in ever-changing ways. Instead of notes and coins, many people use credit cards, debit cards or their account details stored on their phones, watches and other 'wearable technology' to pay for a vast number of goods and services.

But, despite all of the changes in technology, the concept of money is still largely the same today as it was hundreds of years ago, where the value it represents is still guaranteed by a simple 'promise' by Governments. Money will continue to change as you grow up!

Fact – The primary ingredient used to manufacture Euro notes is not paper, but cotton. This is often a surprise to adults who think they're made mostly of paper.

MONEY THROUGH TIME

11,000 YEARS AGO

Early man would barter goods they had a surplus of for ones they lacked.

2,600 YEARS AGO

The first known currency was created by King Alyattes in Lydia.

730 YEARS AGO

Following Marco Polo's travels, he introduced the concept of paper money to Europe which he had been introduced to in China.

3,120 YEARS AGO

In China, people started using replicas of items cast from bronze to trade goods.

770 YEARS AGO

The florin, a coin minted in Florence, Italy was minted and widely used for trade across Europe. In many ways, it is not dissimilar to the Euro that we use across many European countries today.

360 YEARS AGO

It took a long time for paper money to really catch on, with a bank in Sweden finally issuing the first bank notes.

75 YEARS AGO

Invention of the first type of credit card – led by a man named John Biggins and his 'charge-it' card.

20 YEARS AGO

Contactless payment cards began to be issued.

140 YEARS AGO

An electronic leap! Western Union spearheaded the first electronic money with the introduction of money transfers via telegram.

30 YEARS AGO

European banks began the first mobile banking services.

10 YEARS AGO TO NOW

Digital currency was launched. Mobile and smart-phone banking and payments increase in popularity.



CLASS ACTIVITY – THE VALUE OF STUFF

Students can form small groups to discuss the questions below and share their views with the wider class.

Question 1

Do students feel barter was a better way of paying for goods and services than money?

Question 2

If they had no choice but to barter, what they would exchange the following for?

| Item | Exchanged for |
|-----------------------|---------------|
| 1 litre of milk | _____ |
| A pizza | _____ |
| A new bike | _____ |
| A new pair of runners | _____ |

Question 3

Ask students to consider what items they have that they would be happy to barter for another item.

DISCUSSION

The class can consider some of the items students want to barter and discuss whether or not the barter is of equal and fair value.

WHAT IS FOREIGN EXCHANGE?

Not everyone uses the Euro as their money.

In Norway, people use the Norwegian Kroner. So, if you travel from Ireland to Norway, you cannot use the Euro to pay for things. However, you can exchange your Euro for Norwegian Kroner. This is called Foreign Exchange. It's a bit like barter which we explained earlier. This means that someone from Ireland will have Norwegian money to buy food and pay for buses in Norway but using Norwegian money instead of Euro.

Foreign exchange is when people convert one currency for another. In the example of someone travelling from Ireland to Norway, they converted their Euro for Norwegian Kroner. In many cases, they must pay a fee for this money exchange service.

If 1 Norwegian Krone is worth 20 cent in Euro, what would 5 Norwegian Kroner be worth in Euro?

THE VALUE OF DIFFERENT MONEY CAN CHANGE

Different countries use different currencies. Here in Ireland, we use the Euro, in the UK they use the Pound Sterling, in the USA, they use the US Dollar.

If someone were to visit Disneyland in the USA, they would need to buy US Dollars before they travel there, as they do not use the Euro in the USA as currency. The price a US Dollar costs to buy changes every day. This is because the number of people who need dollars changes every day.

So, when people buy US Dollars, they must pay in Euro and the cost of the Dollar may change from day-to-day. This is also called the Exchange Rate or Foreign Exchange. It's a little like the price parents pay for petrol or diesel to drive the family car, it goes up and down.

When it comes to money in your pocket, money from some countries is more valuable than money from other countries.

CHALLENGE – Identify where the UK, Norway, and Switzerland are located on the map.

CLASS ACTIVITY

Where is the Euro used?

19 countries across Europe currently use the Euro as their currency, these are:

Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, Spain.

Other countries also use the Euro but for this exercise, we are only considering the official countries (others include Vatican City, Monaco, Andorra and San Marino).

CLASS CHALLENGE

- ▶ Identify each country listed above on the map
- ▶ List all of the countries starting with the letter 'S' that use the Euro
- ▶ How many countries starting with the letter 'L' use the Euro
- ▶ The Florin was first developed in which Italian city?
- ▶ Pick a selection of countries and find out 5 facts about each country.

TRADING MONEY ACROSS BORDERS

Countries that don't use the Euro

While we use the Euro in Ireland, some countries close to us do not use the Euro, they use a different currency. Here are some examples:

United Kingdom = Pound Sterling | Switzerland = Swiss Franc | Norway = Norwegian Krone

1 Swiss Franc is worth €1. If I want to convert 1 Swiss Franc into Euro, but must pay 20 cent to exchange it, how much would I receive in Euro?

- A.** €1.20 **B.** €1.00 **C.** €0.80



CURRENCY

Different countries have different currencies.

But what is currency? It is the acceptable form of money in that country!

In Ireland the Euro is our currency.



GENEROUS UNCLE MIKE

Gemma and Amy are twins. Their birthday is just a few weeks away and their Uncle Mike has promised to give them some money if they can show they are good savers. But, to make this interesting, he promises to pay them in the currency of the last two countries he recently visited; Hong Kong and the USA. But first, they have to show how they would save €50 over the next 4 weeks.

Saving Reward on offer:

\$30 Hong Kong Dollars
\$30 US Dollars

Question 1

Which Dollars would you choose? Why?

Question 2

Calculate the value of both the Hong Kong and US Dollars.

Each US Dollar is worth about €0.90 (90 cent)

Each Hong Kong Dollar is worth about €0.10 (10c)

1. \$30 US Dollars = € _____
2. \$30 Hong Kong Dollars = € _____

Answer 1: €27 (You receive €27 in exchange for \$30 US dollars)
Answer 2: €3 (You receive €3 in exchange for \$30 Hong Kong Dollars)

WORD FOCUS

DIGITAL CURRENCY – Money that exists in digital or electronic form.

BARTER – To trade one item for another, with the goal of getting a ‘fair’ trade.

EXCHANGE RATE – The amount of Euro you would receive if you wanted to exchange money from other countries.

FOREIGN EXCHANGE – When people convert one currency for another.

CURRENCY – The day-to-day money used in different countries.

EURO – The official currency in many European countries.

ADDITIONAL CLASS ACTIVITIES

| Class | Learning Objective | Activity |
|--|---|--|
| 1 st & 2 nd class | The meaning of money | List off how many Euro coins & notes there are |
| 1 st & 2 nd class | Notes and coins have different value | Ask students to list Euro coins in order of greatest value to lowest value (hint starting at €2) |
| 1 st & 2 nd class | The value of money | Ask students to work out the fewest number of coins it would take to buy a. 1 litre of Milk costing €1.20 b. 1 KG of Sugar €0.85 c. 1 lb (454g) of Butter costing €2.45 |
| 3 rd to 6 th class | Different countries produce money | Ask students to list the name of the money used in the following countries: USA, Japan, China, India |
| 3 rd to 6 th class | The meaning of the Euro | Euro notes have a common theme printed on them, what is it? (European architecture with bridges on the reverse of the notes) |
| 3 rd to 6 th class | The value of money | A visiting tourist from New York arrives in Ireland with US Dollars (and no debit or credit card). In order to pay for a bus from Dublin to Galway, what will the tourist need to do in order to pay for the bus fare? |



Thank you for using this financial wellbeing resource pack. We welcome your feedback, so please feel free to share your thoughts at financialwellbeing@boi.com

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